

IC 12-14-2

Chapter 2. Aid to Families With Dependent Children; Granting of Assistance

IC 12-14-2-0.5

"Essential person" defined

Sec. 0.5. As used in this chapter, "essential person" means a person other than a parent who:

- (1) is the relative of a dependent child;
- (2) cares for the dependent child; and
- (3) complies with IC 12-14-1-1.

As added by P.L.46-1995, SEC.11.

IC 12-14-2-1

Determination of eligibility; amount of assistance and beginning date; money in individual development accounts may not be considered

Sec. 1. (a) After the investigation under IC 12-14-1-6, the county office shall decide the following:

- (1) Whether the child is eligible for assistance under this article.
- (2) The amount of assistance.
- (3) The date assistance begins.

(b) The county office may not consider:

- (1) money in an individual development account under IC 4-4-28 that belongs to the child or a member of the child's family;
- (2) five thousand dollars (\$5,000) of equity value (as defined in 470 IAC 10.1-3-1) in one (1) motor vehicle that belongs to a member of the child's family; or
- (3) a Holocaust victim's settlement payment received by the child or a member of the child's family;

when determining whether the child is eligible for assistance under this article.

As added by P.L.2-1992, SEC.8. Amended by P.L.4-1993, SEC.66; P.L.5-1993, SEC.79; P.L.15-1997, SEC.3; P.L.126-1998, SEC.1; P.L.128-1999, SEC.9.

IC 12-14-2-2

Investigations made by division

Sec. 2. The division may make investigations as necessary and shall make a decision relative to the granting of assistance.

As added by P.L.2-1992, SEC.8.

IC 12-14-2-3

Amount of assistance; determination

Sec. 3. (a) Except as provided in subsection (b), when determining the amount of assistance, an accounting must be taken of any income or property of the child that the child may receive from another source.

(b) The following may not be considered as income or property of

the child when determining the amount of assistance for the child:

(1) Money in an individual development account established under IC 4-4-28 that belongs to a child or a member of the child's family.

(2) A Holocaust victim's settlement payment received by the child or a member of the child's family.

As added by P.L.2-1992, SEC.8. Amended by P.L.15-1997, SEC.4; P.L.128-1999, SEC.10.

IC 12-14-2-4

Amount of assistance; considerations

Sec. 4. The division shall determine the amount of assistance granted for a dependent child considering the following:

(1) The resources and necessary expenditures of the family.

(2) The conditions existing in each case and in accordance with the rules adopted under IC 4-22-2 by the director of the division.

However, a Holocaust victim's settlement payment received by the child or a member of the child's family may not be considered a resource of the family when determining the amount of assistance for the child.

As added by P.L.2-1992, SEC.8. Amended by P.L.128-1999, SEC.11.

IC 12-14-2-5

Amount of need recognized and payment made; maximum amounts

Sec. 5. Except as provided in sections 5.1 and 5.3 of this chapter, the following apply to the amount of need recognized and payment made under this chapter:

(1) The total amount of need recognized and payment made for a dependent child, other than for medical expenses, for a calendar month may not exceed one hundred fifty-five dollars (\$155).

(2) The total amount of need recognized and payment made to the person essential to the well-being of the dependent child, other than for medical expenses, for a calendar month may not exceed one hundred fifty-five dollars (\$155).

(3) The total amount of need recognized and payment made to one (1) dependent child and to the person essential to the well-being of the dependent child, other than for medical expenses, for a calendar month may not exceed two hundred fifty-five dollars (\$255).

(4) If there is more than one (1) dependent child in the same home, the total amount of need recognized and payment made, other than for medical expenses, for a calendar month may not exceed sixty-five dollars (\$65) for each additional child and, if the second parent of the child is incapacitated and is living in the home, the amount of need recognized and payment made may not exceed sixty-five dollars (\$65) for the benefit of the incapacitated parent.

As added by P.L.2-1992, SEC.8. Amended by P.L.46-1995, SEC.12.

IC 12-14-2-5.1

Time limitations on receipt of assistance

Sec. 5.1. (a) Subject to section 5.2 of this chapter, for each parent or essential person, the parent or essential person may not receive payments under:

- (1) section 5 of this chapter; or
- (2) Medicaid under IC 12-15, when the sole basis for the person's Medicaid eligibility is based on the person's eligibility for AFDC assistance under this article;

if the person has received assistance under this article during the person's lifetime for twenty-four (24) months after June 30, 1995.

(b) This subsection does not apply to a dependent child who:

- (1) is alleged or adjudicated a child in need of services under IC 31-34 (or IC 31-6 before its repeal);
- (2) is placed under the wardship or guardianship of the county office;
- (3) is born as a result of incest, rape, or conduct that is a crime under IC 35-42-4-3; or
- (4) has a substantial physical or mental disability.

Beginning July 1, 1995, a person who is a dependent child may not receive assistance under this article for more than twenty-four (24) months as a dependent child.

(c) Subject to:

- (1) the time limits contained in subsection (a); and
- (2) section 5.4 of this chapter;

a person who qualifies for AFDC under section 5 of this chapter remains categorically eligible to receive AFDC assistance when the person becomes employed and the person's family's net earnings from employment calculated under 45 CFR 233.20, in combination with other sources of family income, is greater than the amount of need recognized under section 5 of this chapter, but the family's gross income is less than one hundred percent (100%) of the federal income poverty level.

As added by P.L.46-1995, SEC.13. Amended by P.L.1-1997, SEC.57.

IC 12-14-2-5.2

Employment credit

Sec. 5.2. (a) A person may earn credit for one (1) month of AFDC assistance for each six (6) consecutive months the person is employed full time. However, credit may not be earned for employment completed before the date the person first applies for assistance under this article.

(b) To qualify for credit under subsection (a), a person must supply the county office with proof of the periods during which the person was employed.

(c) A person may not retain credit for more than twenty-four (24) months of AFDC assistance under this article at any time.

(d) Credit earned by one (1) member of an assistance group under

this section applies to all members of the assistance group.

(e) Credit under subsection (a) may not be earned for transitional assistance described in section 22 of this chapter.

As added by P.L.46-1995, SEC.14.

IC 12-14-2-5.3

Payments for child born more than ten months after family qualifies for assistance

Sec. 5.3. (a) This section does not apply to a dependent child:

- (1) described in section 5.1(b)(3) or 5.1(b)(4) of this chapter;
- (2) who is the firstborn of a child less than eighteen (18) years of age who is included in an AFDC assistance group when the child becomes a first time minor parent (including all children in the case of a multiple birth); or
- (3) who was conceived in a month the family was not receiving AFDC assistance.

(b) Except as provided in subsection (c), after July 1, 1995, an additional payment (other than for medical expenses payable under IC 12-15) may not be made for a dependent child who is born more than ten (10) months after the date the family qualifies for assistance under this article.

(c) The division may adopt rules under IC 4-22-2 that authorize a voucher for goods and services related to child care that do not exceed one-half (1/2) of the assistance that a dependent child described in subsection (b) would otherwise receive under section 5 of this chapter.

(d) A dependent child described in subsection (b) is eligible for all child support enforcement services provided in IC 12-17-2.

(e) Families receiving AFDC assistance are encouraged to receive family planning counseling.

As added by P.L.46-1995, SEC.15. Amended by P.L.2-1997, SEC.36.

IC 12-14-2-5.4

Child care costs

Sec. 5.4. (a) Subject to IC 12-8-1-12 and except as provided in subsection (d), the AFDC grant for a person who:

- (1) is eligible to receive assistance under section 5 of this chapter; and
- (2) becomes employed (including a person who is in a program established under IC 12-8-11);

as calculated under subsection (b), must be diverted to subsidize child care costs.

(b) At:

- (1) the time of entry into employment; and
- (2) every subsequent change of status that affects the person's AFDC eligibility and assistance levels;

the person's AFDC grant minus earnings and other countable income must be calculated to determine the amount of the grant to be diverted to subsidize child care costs.

(c) A person's AFDC grant must be diverted as described in

subsection (a) until:

- (1) the person is no longer eligible for AFDC under section 5.1 of this chapter; or
- (2) the person's monthly family income is equal to or exceeds one hundred percent (100%) of the monthly federal income poverty level;

whichever occurs first.

(d) A person:

- (1) who becomes employed (including a person who is in a program established under IC 12-8-11); and
- (2) whose net income is equal to or more than the amount of need recognized under section 5 of this chapter;

has the option to receive either guaranteed child care or a cash payment equal to the amount of the AFDC grant for which the person qualifies immediately before the person becomes employed.

(e) The option under subsection (d) is available until:

- (1) the person is no longer eligible for AFDC under section 5.1 of this chapter; or
- (2) the person's monthly family income is equal to or exceeds one hundred percent (100%) of the monthly federal income poverty level;

whichever occurs first.

(f) An AFDC grant diverted under this section must be from the same sources and in the same proportion as provided in IC 12-19-6.

(g) The division may adopt rules under IC 4-22-2 to implement this section.

As added by P.L.46-1995, SEC.16.

IC 12-14-2-6

Need of child; age excluded as factor

Sec. 6. Age may not be a factor in determining the need of a child.

As added by P.L.2-1992, SEC.8.

IC 12-14-2-7

Direct payments to persons furnishing care

Sec. 7. Payment for care, regardless of maximum monthly limitations under section 5 of this chapter, may be made directly to the person furnishing the care.

As added by P.L.2-1992, SEC.8.

IC 12-14-2-8

Families receiving assistance on June 30, 1987; amount of assistance

Sec. 8. A family receiving assistance under this chapter on June 30, 1987, is entitled to receive at least the same amount of assistance after June 30, 1987, if there is no change in the family's circumstances relevant to eligibility.

As added by P.L.2-1992, SEC.8.

IC 12-14-2-9

Application of percentage reduction to total needs in computing benefits payable

Sec. 9. The division shall apply a percentage reduction of ninety percent (90%) to the total needs of AFDC applicants and recipients in computing the AFDC benefits payable.

As added by P.L.2-1992, SEC.8.

IC 12-14-2-10

Care provided to child and spending of assistance payments; designation of responsible person to receive benefits; direct payment to care providers

Sec. 10. If a county office determines that a person essential to the well-being of a dependent child under this chapter is:

(1) not providing proper care to the child with assistance received; or

(2) not capable of properly spending assistance received for the benefit of the child;

the county office may designate a responsible person to receive the assistance for the benefit of the child or the county office may pay directly to a provider that has provided services to the child.

As added by P.L.2-1992, SEC.8. Amended by P.L.4-1993, SEC.67; P.L.5-1993, SEC.80.

IC 12-14-2-11

Compliance with awards

Sec. 11. The county office shall make an award that, including a subsequent modification, is binding and must be complied with by the county office until the award or modified award is vacated.

As added by P.L.2-1992, SEC.8. Amended by P.L.4-1993, SEC.68; P.L.5-1993, SEC.81.

IC 12-14-2-12

Notification of assistance decision

Sec. 12. The county office shall notify the applicant and the division of the county office's decision concerning assistance in writing.

As added by P.L.2-1992, SEC.8. Amended by P.L.4-1993, SEC.69; P.L.5-1993, SEC.82.

IC 12-14-2-13

Reporting of assistance decisions

Sec. 13. The county office shall immediately report to the division the decision for each application for assistance to a dependent child.

As added by P.L.2-1992, SEC.8. Amended by P.L.4-1993, SEC.70; P.L.5-1993, SEC.83.

Repealed

(Repealed by P.L.273-1999, SEC.124.)

IC 12-14-2-15

Amount granted; justification; conformance with article

Sec. 15. The amount of the assistance granted must be justified and conform with this article.

As added by P.L.2-1992, SEC.8.

IC 12-14-2-16

Child living with relative prescribed in IC 12-7-2-58

Sec. 16. If an investigation discloses that a child is a dependent child and the child is living or will live with at least one (1) of the relatives prescribed in IC 12-7-2-58, assistance may be allowed for the support of the child without complying with an Indiana law other than this article.

As added by P.L.2-1992, SEC.8.

IC 12-14-2-17

Mandatory school attendance

Sec. 17. (a) To retain eligibility for AFDC assistance under this article, a recipient of AFDC assistance and a dependent child who is a recipient of AFDC assistance must attend school if all of the following apply:

- (1) The recipient or the dependent child meets the compulsory attendance requirements under IC 20-33-2.
- (2) The recipient or the dependent child has not graduated from a high school or has not obtained a high school equivalency certificate (as defined in IC 12-14-5-2).
- (3) The recipient or the dependent child is not excused from attending school under IC 20-33-2-14 through IC 20-33-2-17.
- (4) The recipient or the dependent child does not have good cause for failing to attend school, as determined by rules adopted by the director under IC 4-22-2.
- (5) If the recipient or the dependent child is the mother of a child, a physician has not determined that the recipient or the dependent child should delay returning to school after giving birth.

(b) A recipient or the dependent child of a recipient described in subsection (a) who has more than three (3) unexcused absences during a school year is subject to revocation or suspension of assistance as provided in section 18 of this chapter.

(c) The director, in consultation with the department of education, shall adopt rules under IC 4-22-2 to establish a definition for the term "unexcused absence".

As added by P.L.46-1995, SEC.17. Amended by P.L.1-2005, SEC.130.

IC 12-14-2-18

Revocation or suspension of assistance; sanctions

Sec. 18. (a) A recipient or dependent child who fails to meet the requirements of section 17 of this chapter is subject to the revocation or suspension of assistance as provided under rules adopted by the division.

(b) An AFDC recipient who refuses to participate in an

employment opportunity or a job training opportunity offered to the recipient under IC 12-8-12 is subject to sanctions established by the director under IC 12-8-12-6(2).

As added by P.L.46-1995, SEC.18. Amended by P.L.2-1997, SEC.37.

IC 12-14-2-19

Release of school attendance records

Sec. 19. The division may require consent to the release of school attendance records as a condition of eligibility to receive assistance under this chapter.

As added by P.L.46-1995, SEC.19.

IC 12-14-2-20

Voluntary leave of employment or reduction in hours

Sec. 20. (a) This section does not apply to a person who voluntarily leaves an employer for any of the following reasons:

(1) The person accepted previously secured permanent full-time work with another employer that offered reasonable expectation of higher wages or better working conditions.

(2) The person left the employer due to a medically substantiated physical disability and is involuntarily unemployed after having made reasonable efforts to maintain the employment relationship.

(3) The person left work to enter the armed forces of the United States.

(4) The person's employment was terminated under the compulsory retirement provision of a collective bargaining agreement to which the employer is a party, or under any other plan, system, or program, public or private, providing for compulsory retirement.

(5) The person voluntarily left the employer, and:

(A) the person's previous employment was outside the person's labor market;

(B) the person left to accept previously secured full-time work with an employer in the person's labor market; and

(C) the person actually became employed with the employer in the person's labor market within the area surrounding the person's permanent residence, outside which the person cannot reasonably commute on a daily basis. In determining whether a person can reasonably commute under this clause, the division shall consider the nature of the person's job.

(6) The person was laid off by the employer.

(b) A person who applies for AFDC assistance under this article and:

(1) voluntarily leaves the person's most recent employer:

(A) within six (6) months before applying for AFDC; or

(B) at any time after becoming a recipient of AFDC under this chapter; or

(2) voluntarily reduces the number of hours the person works in order to qualify for or retain eligibility for assistance under this

article;
is ineligible to receive assistance under IC 12-14 for six (6) months after leaving the person's employer or reducing the person's hours.

(c) A person who is ineligible to receive assistance under subsection (b) is also ineligible to receive Medicaid assistance under IC 12-15 if the sole basis for the person's Medicaid eligibility is based on the person's eligibility for AFDC assistance under this article.

As added by P.L.46-1995, SEC.20.

IC 12-14-2-21

Personal responsibility agreement

Sec. 21. (a) An AFDC recipient or the parent or essential person of an AFDC recipient if the AFDC recipient is less than eighteen (18) years of age must sign a personal responsibility agreement to do the following:

- (1) Develop an individual self-sufficiency plan with other family members and a caseworker.
- (2) Accept any reasonable employment as soon as it becomes available.
- (3) Agree to a loss of assistance, including AFDC assistance under this article, Medicaid assistance under IC 12-15 if the sole basis for the person's Medicaid eligibility is based on the person's eligibility for AFDC assistance under this article, and food stamps, if convicted of an offense under IC 35-43-5-7 or IC 35-43-5-7.1 for the following periods:
 - (A) If the conviction is for a misdemeanor, the person is not eligible to receive assistance as described under this subdivision for one (1) year after the conviction.
 - (B) If the conviction is for a felony, the person is not eligible to receive assistance as described under this subdivision for ten (10) years after the conviction.
- (4) Subject to section 5.3 of this chapter, understand that additional AFDC assistance under this article will not be available for a child born more than ten (10) months after the person qualifies for assistance.
- (5) Accept responsibility for ensuring that each child of the person receives all appropriate vaccinations against disease at an appropriate age.
- (6) If the person is less than eighteen (18) years of age and is a parent, live with the person's parents, legal guardian, or an adult relative other than a parent or legal guardian in order to receive public assistance.
- (7) Subject to IC 12-8-1-12 and sections 5.1 and 22 of this chapter, agree to accept assistance for not more than twenty-four (24) months under:
 - (A) the AFDC program (IC 12-14); and
 - (B) the Medicaid program (IC 12-15), if the sole basis for the person's Medicaid eligibility is based on the person's eligibility for AFDC assistance under this article.

(8) Be available for and actively seek and maintain employment.

(9) Participate in any training program required by the division.

(10) Accept responsibility for ensuring that the person and each child of the person attend school until the person and each child of the person graduates from high school or attain a high school equivalency certificate (as defined in IC 12-14-5-2).

(11) Raise the person's children in a safe, secure home.

(12) Agree not to abuse illegal drugs or other substances that would interfere with the person's ability to attain self-sufficiency.

(b) Except as provided in subsection (c), assistance under the AFDC program and Medicaid assistance under IC 12-15 (if the sole basis for the person's Medicaid eligibility is based on the person's eligibility for AFDC assistance under this article) shall be withheld or denied to a person who does not fulfill the requirements of the personal responsibility agreement under subsection (a).

(c) A person who is granted an exemption under section 23 of this chapter may be excused from specific provisions of the personal responsibility agreement as determined by the director.

As added by P.L.46-1995, SEC.21.

IC 12-14-2-22

Medicaid and child care assistance to persons ineligible to receive AFDC

Sec. 22. (a) Subsection (b) does not apply to a person who accepts a job with an employer who offers a health insurance plan as an employee benefit when the person qualifies for coverage under the health insurance plan.

(b) A person who:

(1) has a source of income that makes the person ineligible for AFDC assistance under this article but that is less than one hundred fifty percent (150%) of the federal income poverty level; or

(2) is:

(A) employed;

(B) ineligible for assistance under section 5.1 of this chapter; and

(C) earning a net income equal to or more than the amount of need recognized under section 5 of this chapter, but less than one hundred fifty percent (150%) of the federal income poverty level;

may qualify for Medicaid assistance under IC 12-15 for not more than twelve (12) months, if the person otherwise qualifies for Medicaid.

(c) A person who:

(1) has a source of income that makes the person ineligible for AFDC assistance under this article but that is less than one hundred thirty-three percent (133%) of the federal income poverty level; or

(2) is:

(A) employed;

(B) ineligible for assistance under section 5.1 of this chapter;
and

(C) earning a net income equal to or more than the amount of need under section 5 of this chapter, but less than one hundred thirty-three percent (133%) of the federal income poverty level;

may qualify to receive, under rules established by the division, for not more than twelve (12) months, assistance equal to fifty percent (50%) of the local market rate as established under 45 CFR 256 for transitional child care assistance for each dependent child if the child who requires child care is less than thirteen (13) years of age.

(d) A person may not qualify for more than twelve (12) months of assistance under subsection (b) or (c) during the person's lifetime. The director shall adopt rules under IC 4-22-2 to determine conditions for eligibility under this section, subject to IC 12-8-1-12. *As added by P.L.46-1995, SEC.22.*

IC 12-14-2-23

Exemptions

Sec. 23. (a) This section applies only to a person's eligibility for assistance under section 5.1 of this chapter.

(b) As used in this section, "school" means a program resulting in high school graduation.

(c) Due to extraordinary circumstances, a person who is the parent of a dependent child, an essential person, or a dependent child may apply, in a manner prescribed by the division, for an exemption from the requirements of this chapter if the person can document that the person has complied with the personal responsibility agreement under section 21 of this chapter and the person demonstrates any of the following:

(1) The person has a substantial physical or mental disability that prevents the person from obtaining or participating in gainful employment.

(2) The person is a minor parent who is in school full time and who has a dependent child.

(3) The person is a minor parent who is enrolled full time in an educational program culminating in a high school equivalency certificate and who has a dependent child.

A person seeking an exemption under this section must show documentation to the division to substantiate the person's claim for an exemption under subdivision (1), (2), or (3).

(d) After receiving an application for exemption from a parent, an essential person, or a dependent child under subsection (c), the division shall investigate and determine if the parent, essential person, or dependent child qualifies for an exemption from this chapter. The director shall make a final determination regarding:

(1) whether to grant an exemption;

(2) the length of an exemption, if granted, subject to subsection

(f); and

(3) the extent of an exemption, if granted.

(e) If the director determines that a parent, an essential person, or a dependent child qualifies for an exemption under this chapter, the parent, essential person, or dependent child is entitled to receive one hundred percent (100%) of the payments that the parent, essential person, or dependent child is entitled to receive under section 5 of this chapter, subject to any ratable reduction.

(f) An exemption granted under this section may not exceed one (1) year, but may be renewed.

(g) The division shall send a report each quarter to the legislative council and the budget committee detailing the number and type of exemptions granted under this section. A report sent under this subsection to the legislative council must be in an electronic format under IC 5-14-6.

(h) The division may adopt rules under IC 4-22-2 to carry out this section.

As added by P.L.46-1995, SEC.23. Amended by P.L.28-2004, SEC.101.

IC 12-14-2-24

Paternity determination required

Sec. 24. (a) A dependent child and a parent or an essential person are not eligible for AFDC assistance under this chapter unless the mother of the dependent child:

- (1) initiates a court proceeding to establish paternity, other than an adoption proceeding, except as provided in IC 31-14-20-2;
- (2) executes a paternity affidavit under IC 16-37-2-2.1; or
- (3) requests, at the time of application or renewal, that the Title IV-D agency or its agents file a paternity action under IC 31-14-4-3.

(b) A person applying for assistance under this chapter is not required to comply with subsection (a) if:

- (1) the father of the dependent child has been charged with an act of rape, incest, or child molesting that occurred against the dependent child's mother within ten (10) months before the birth of the dependent child;
- (2) the mother of the dependent child is deceased;
- (3) the division determines under rules adopted by the division under IC 4-22-2 that the mother of the dependent child could not know the identity of the child's father; or
- (4) the mother of the dependent child provides proof, and the division agrees, that the physical health or safety of the mother or the dependent child would be jeopardized if the mother complies with subsection (a).

(c) If a dependent child's mother is a party to a paternity action filed under IC 31-14 (or IC 31-6-6.1 before its repeal), a county office shall revoke assistance under this chapter if the mother fails to pursue the paternity action.

(d) The office may not delay payments otherwise owing to a

provider if the mother fails to comply with this section.

As added by P.L.46-1995, SEC.24. Amended by P.L.1-1997, SEC.58.

IC 12-14-2-25

Information on receipt of previous assistance

Sec. 25. (a) When a person applies for assistance under this chapter, the county office shall determine whether the person has received assistance under the AFDC program from another state within the past three (3) years.

(b) The county office shall require each applicant to provide proof of all addresses used by the applicant and each member of the applicant's immediate family during the three (3) years before completing the application.

(c) The county office shall contact the agency administering AFDC in any state where the applicant alleges to have lived within the past three (3) years to determine if the applicant has received assistance under the AFDC program in that state.

(d) Each month of assistance the applicant has received under the AFDC program from another state within the past three (3) years counts as one (1) month against the person's lifetime eligibility for assistance in Indiana as determined under section 5.1 of this chapter.

(e) Each county office shall provide information to another state regarding assistance provided to a person in Indiana if the other state has, or is willing to provide, similar information as needed to the county office.

As added by P.L.46-1995, SEC.25.

IC 12-14-2-26

Registration at employment and training office

Sec. 26. (a) To be eligible for assistance under this article, a parent or an essential person must register at the parent's or essential person's local employment and training office:

- (1) when the person first applies for assistance; and
- (2) each time the person reapplies for assistance.

(b) Assistance shall be denied to a person who does not comply with subsection (a).

As added by P.L.46-1995, SEC.26.